

POLICY



MEMORANDUM

SUBJECT: FY 2018 Merit-Based Pay Increases

Effective Date:
May 9, 2017

ISSUED BY: State Personnel Board

I. Purpose

This policy covers the use of FY 2018 appropriated funds for merit-based pay increases and salary adjustments for focused recruitment and retention initiatives.

II. Legislative Authority

The State Personnel Board, by authority granted under O.C.G.A. 45-20-3, and in accordance with State Personnel Board Rule 12(6), issues the below policies to implement the merit-based pay increase portion of this appropriation within Executive Branch entities governed by the Board's Rules.

III. Policy

1. The merit-based pay increase is to be an increase to base pay that recognizes performance during the FY2017 performance year.
2. Agency heads must define the following before implementing merit-based increases:
 - 2.1. The performance evaluation ratings that will be eligible for a pay increase within their organizations;
 - 2.2. The percentage or amount of increase to apply to each level of performance rating;
 - 2.3. Any additional criteria to be uniformly applied within their organizations to determine which employees will be eligible to receive merit-based pay; and,
 - 2.4. The date during FY2018 that merit-based pay increases will become effective within their organizations, provided that merit-based salary adjustments occur after salary adjustments made by specified entities for specific jobs to address critical retention needs.
3. Only employees who worked for state government during the FY2017 performance year are eligible to be considered for a merit-based pay increase.
4. Each agency is responsible for processing performance evaluations for employees based on the 2017 performance year. Agency heads have discretion to authorize an exception to the evaluation requirement for employees hired or transferred into their agency after February 1, 2017.
 - 4.1. Agencies should apply this exception only when the evaluating supervisor has not supervised the employee long enough to be able to evaluate performance.
 - 4.2. If an evaluation is not completed for such an employee, then the employee would be eligible for whatever merit-based pay increase, if any, is authorized for employees receiving a performance rating of, or equivalent to, "3- Successful Performer."

- 4.3. Except as provided in section 4 of these policies, in no instance shall an agency provide merit-based pay increases to all employees without regard to performance.
5. In no instance shall an agency grant a merit-based pay increase to an employee rated the equivalent of "1 - Unsatisfactory Performer."
6. In accordance with State Personnel Board Rule 14, Performance Management, the agency is to notify each employee rated the equivalent of "1- Unsatisfactory Performer" of the agency process to request a review of the evaluation, should the employee disagree with the rating.
7. Merit-based pay increases are effective on a date designated by an agency head, and will be paid to eligible employees who remain continuously employed with the approving agency on such selected date.
8. Each agency head has the discretion to determine if the agency will grant merit-based pay increases to employees who transfer in from another agency between July 1, 2017, and the date selected by the agency head that merit-based pay increases become effective in the agency.
- 8.1. To be considered for an Increase, performance with the transferring agency during the 2017 performance year must have met the receiving agency's criteria for such an increase, and employees transferring into the agency must not have received a FY2018 merit-based increase from the transferring agency.
- 8.2. An agency's decision to include or exclude transferring employees from merit-based increases must be applied uniformly to all employees that transfer into the agency between July 1, 2017, and the effective date of the receiving agency's merit-based pay increases.
9. Employees on protected leave, such as Family and Medical Leave or Military Leave, during the 2017 performance year are to receive pay increases based on the established eligibility criteria applied to all other employees as if they had not taken such protected leave.
10. Employees approved for a merit-based pay increase who are in leave without pay status when increases in their agency become effective shall be awarded the increase when pay status resumes.

State Personnel Board Chair: 

Date: 5/9/2017

This policy becomes effective May 9, 2017, and may be revised as necessary.

IV. Revision History

Version	Date
2.0	May 9, 2017
1.0	May 10, 2016